TELECOMMUNICATION SERVICES BRIGHAM YOUNG UNIVERSITY 1206 SFLC, PO BOX 26798 PROVO, UTAH 84602-6798 (801) 378-7386



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FCC MAIL ROOM

October 11, 1994

Mr. William Caton
Office of the Secretary
Federal Communications Commission
1919 M Street Northwest
Room #222
Washington, D.C. 20554

RE: In the Matter of Policies and Rules Implementing the Telephone Disclosure and Dispute Resolution Act, CC Docket No. 93-22; Order on Reconsideration and Further Notice of Proposed Rulemaking

Dear Mr. Caton:

Enclosed for filing are the comments of Brigham Young University (BYU) in CC Docket 93-22, Order on Reconsideration and Further Notice of Proposed Rulemaking.

As directed, we have enclosed an original and ten copies of our comments. Please file mark a copy and return it to me in the enclosed envelope.

Thank you for your consideration of BYU's comments.

Sincerely,

Pinatan

Director,

Telecommunication Services

**Enclosure** 

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# **BEFORE THE**FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C.

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OCT 1 2 1994

IN THE MATTER OF	)		FCC MAIL ROOM
Policies and Rules Implementing	)	CC Docket 93-22	
the Telephone Disclosure and	)		
Dispute Resolution Act	)		

# COMMENTS OF BRIGHAM YOUNG UNIVERSITY PROVO, UTAH

#### I. <u>INTRODUCTION</u>

- 1. Brigham Young University (BYU), founded by the Church of Jesus Christ of Latter-Day Saints (the LDS or Mormon Church) in 1875 is a privately owned institution of higher learning located in Provo, Utah. BYU enrolls approximately 28,000 students, including 1,770 foreign students. Over 6,500 students live in on-campus housing. Telephone service in campus housing facilities is provided by the University as part the apartment's standard utility service, i.e, electricity, water, heat, etc. Students living in campus housing may place long distance calls through the university's PBX using long distance service from AT&T, via 10XXXX or 800# access, or the use of credit or calling cards.
- 2. The ability of university employees, students, or campus visitors to place calls to information service providers (IP) via 800 numbers is troubling to BYU's administration and poses a threat to the conservative BYU community. Since we have been deemed an aggregator, we must permit 800 number dialing through our PBX and other campus telephones which places our university at considerable risk of fraud.

### II. <u>DISCUSSION</u>

3. The use of 800 numbers has grown dramatically since their introduction. Recent advertisements offer these services to residential customers so family members, especially college students and military personnel can call home at no cost. The explosive growth has been fostered by the concept that there is no charge to the calling party for the placement of calls to 800 numbers. Recent technology has opened the doors, using loopholes in legislative and regulatory directives, to allow fraudulent and deceptive use of these services. Billing practices by interstate information services providers and telephone companies who bill for these services further exacerbate this

BYU Comments
CC Docket 93-22
Order on Reconsideration & FNPRM

problem. These practices are subverting on-campus residential telephone services offered by many colleges and universities.

4. Many students in their naivety and innocence, who have always understood 800 number calls to be "free", place calls to advertised information services not understanding they will receive a bill, oftentimes extremely high, for the 800 number call. If these calls are placed behind a PBX or CENTREX system, the institution receives the bill instead of the caller. Investigation and reallocation of charges for Pay-Per-Call services can be difficult, costly and argumentative. Usually the local exchange carrier (LEC) who renders the bill does not want to correct the bill and refers the billed party to the IP for bill reconciliation. FCC regulations concerning these practices have been helpful but have not eliminated the problem.

#### III. FCC PROPOSED ACTION

- 5. BYU applauds the current FCC action to modify Pay-Per-Call regulations to control the abuse and the unauthorized telephone charges users are experiencing from the fraudulent and deceptive practices of information service providers. Further, BYU rigorously supports the concept that 800 numbers, which historically have been "toll free" to the caller, should be maintained and protected. Many residential and business users cannot restrict their telephone systems from accessing undesirable or unauthorized 800 numbers. Use of these numbers for Pay-Per-Call information services disrupts the integrity of the nation's telephone industry and places an unfair and unexpected burden upon unsuspecting telephone subscribers.
- 6. BYU vehemently objects to the evasive and unethical tactics employed by some IPs and carriers for the provision of, and the billing for, such services through methods designed to subvert normal billing practices and current regulatory restraints. We vigorously support the amendment of existing FCC regulations to provide greater protection to end users from the fraudulent and deceptive practices currently associated with the use of Pay-Per-Call 800 numbers. We further encourage the FCC to investigate and fix other billing methodologies or regulatory deficiencies which could be used to provide unauthorized and costly information services to unsuspecting victims.

# IV. <u>ELIMINATION OF 800 PAY-PER-CALL CAPABILITIES</u>

7. The telecommunications industry has established, through 900 numbers, provisions for interstate pay-per-call information services. Since 800 numbers are considered "free" throughout the telephone industry, BYU supports the FCC's decision to protect that concept. We believe the FCC's decision to require a signed presubscription agreement between the IP and the IP service user before a Local Exchange Carrier can bill for these services to be a correct principle. For clarification, we would add that the agreement should define the method by which the caller will be billed for the

BYU Comments
CC Docket 93-22
Order on Reconsideration & FNPRM

IP's services, e.g, LEC billing arrangement, credit card, etc. We would also suggest that preexisting agreements should be reviewed by the IP and renewed in writing to comply with these modified rules.

#### V. <u>CONCLUSION</u>

- 9. BYU affirms its support of the FCC's action to modify Pay-Per-Call service rules to require a written agreement between the service provider and the service user as a positive effort to correct the deceptive and fraudulent activities in the Pay-Per-Call arena. Bills for IP service should only be sent to those contracting for those services and not to unsuspecting subscribers to telephone line service.
- 10. BYU believes the Proposed Rules as stated in Appendix C of FNPRM in CC Docket NO. 93-22, release date: August 31, 1994, will correct the current problems in the Pay-Per-Call industry. We would recommend adding to the Proposed Rules the following:
- a. Retain the last sentence in Appendix B, "RULES AMENDED," paragraph 2.(b)(5) which reads, "No other action taken by a consumer during the course of a call to an information service, for which charges are assessed, can create a presubscription or comparable arrangement."
- b. Amend Appendix C, "PROPOSED RULES," paragraph 2.(b)(5) to read: "Provided, however, that disclosure of a validated credit or charge card number, along..."
- c. Amend Appendix C, "PROPOSED RULES," paragraph 2.(b)(5)(i) to read: "generally available by the authorized user for the purchase of consumer goods, entertainment, travel, and lodging, and..."
- 11. In summary, BYU believes there should be no charge, hidden or direct, for the dialing of an 800 telephone number.

Respectfully submitted,

Brigham Young University
Office of Telecommunication Services

Ferrell B. Mallory

Director, BYU Telecommunication Services